

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6101

BILL NUMBER: SB 80

NOTE PREPARED: Jan 24, 2014

BILL AMENDED: Jan 23, 2014

SUBJECT: Interim Study Committee Structure.

FIRST AUTHOR: Sen. Long

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: *Interim Study Committees Established and Repealed:* The bill establishes 17 interim study committees with authority to study legislative topics. It provides for the appointment of chairs, vice-chairs, legislative members, and lay members of interim study committees. It also eliminates various study and advisory committees. The bill eliminates obsolete provisions governing legislative evaluation and oversight.

Membership Reduction: It reduces the number of members of the Advisory Council to the Office of the Utility Consumer Counselor and the Political Subdivision Risk Management Commission to reflect the reduction of the number of congressional districts in Indiana from 10 to 9.

Amendments: It makes conforming amendments.

Repeals: The bill repeals laws: (1) establishing eliminated study and advisory committees; and (2) requiring quadrennial fiscal analysis of statutes regarding redevelopment areas and property tax deductions for redevelopment of real property in economic revitalization areas.

Effective Date: Upon passage.

Explanation of State Expenditures: *Summary:* The bill likely has limited fiscal impact on state government. The estimated expenditure range for the proposed interim committees remains at the same level as current spending.

Reducing the membership of the Advisory Council to the Office of the Utility Consumer Counselor and the

Political Subdivision Risk Management Commission by one member is expected to have minimal significant reduction in cost.

The bill provides for agencies to provide reports electronically to the members of interim study committees, which may provide some savings. The repeal of the quadrennial fiscal analysis is expected to have no significant fiscal impact on the Indiana Economic Development Corporation (IEDC) and a minimal impact on the IEDC's overall workload. Other repeals of reports to legislative committees will have a similar minimal impact on the agencies involved.

Interim Study Committees - Repealed and Established: The cost of the proposed legislative interim study committee configuration will depend on the number of members attending each meeting and the distance the members travel. Legislators and lay members of interim committees are entitled to per diem and mileage expenses. However, the policies of the Legislative Council potentially could limit committee spending by giving each committee a fixed budget, as is current practice.

Approximately \$100,000 has been spent in each of the last two interims for meetings of the study committees that would be repealed under the bill. Using the 2012 average mileage and per diem costs, as well as statutory per diem costs, and assumptions of the number of members attending and meetings held for the proposed interim study committees, the estimated cost for the proposed committee structure is between \$100,200 and \$138,700.

If the Chairman of the Legislative Council adds lay members, four additional members may serve on one or more committees. If lay members were added to all committees, the maximum cost range of interim committees would be between \$128,800 and \$167,400. The increase in cost results from the increase in the number of committee members.

Actual Interim Committee Expenditures.

	2011	2012
<i>Total</i>		
Interim Committee Expenditures	\$100,578	\$99,345
Number of Interim Committee Meetings	52	53
<i>Average</i>		
Per Diem Per Member Per Meeting	\$78	\$86
Mileage Per Member Per Meeting	\$68	\$84
<i>Statutory</i>		
Legislative Member Per Diem	\$152	\$152
Lay Member Per Diem	\$75	\$75

Additional Information: The bill establishes 17 committees, each having 13 members, including 6 senators, 6 representatives, and 1 additional member of the General Assembly. Under the bill, 34 committees would be repealed and replaced. The average membership of these committees is 12, ranging from 5 to 25 members. However, some of the committees have never met or had members assigned.

In calculating the high-end cost limit, a factor of 95% was used to estimate the number of members who may be absent or may attend more than one committee meeting. (Only one per diem and reimbursement per day per member is allowed.) The average per diem per member per meeting based on actual expenditures is somewhat lower than the statutory per diem. The estimated figure includes a mix of legislative and nonlegislative per diem and is based on the total number of members assigned to the committee, thereby encompassing absent or nonpaid members. No factor was used to calculate the low-end cost limit. Staff costs were not considered as existing staff could be reassigned to the new committees.

The table below shows the interim study committees proposed by the bill and the current study committees that would be repealed and replaced. Not all of the proposed interim committees have assigned duties and not all of the existing interim committee duties are assigned to a proposed committee. In either case, the Legislative Council could assign topics to any of the proposed committees and create additional committees as needed that would last one year.

Proposed Interim Study Committee	Repealed
Agriculture and Natural Resources	Natural Resources Study Committee State Fair Advisory Committee
Commerce and Economic Development	Interim Study Committee on Economic Development
Elections	Census Data Advisory Committee
Energy, Utilities, and Technology	Regulatory Flexibility Committee
Environmental Affairs	Environmental Quality Service Council Compliance Advisory Panel
Fiscal Policy	Commission on State Tax and Financing Policy
Government	Commission on Military and Veterans Affairs
Health Finance	Health Finance Commission
Pension Management Oversight	Pension Management Oversight Commission
Public Health and Human Services	Commission on Developmental Disabilities Committee on Child Care Indiana Child Custody and Support Advisory Committee
Roads, Transportation, and Public Safety	Special Group Recognition License Plate Committee

Proposed Interim Study Committee	Repealed
Not Assigned	Administrative Rules Oversight Committee (Legislative Council will receive reports currently assigned to this committee) Child Services Oversight Committee Commission on Courts Commission on Education Study Committee Commission on Improving the Status of Children in Indiana Commission on Interstate Cooperation Commission on Mental Health and Addiction Criminal Law and Sentencing Policy Study Committee Indiana Commission on Autism Indiana Advisory Commission on Intergovernmental Relations Interim Study Committee on Driver Education Interim Study Committee on Government Accounting Interim Study Committee on Insurance Joint Study Committee on Transportation and Infrastructure Assessment and Solutions Land Bank Study Committee Probate Code Study Commission Public Officers Compensation Advisory Commission Unemployment Insurance Oversight Committee Water Resources Study Committee Youth Advisory Council
Corrections, Criminal Code, and the Judiciary Courts Education Employment and Labor Financial Institutions and Insurance Public Policy	Not Assigned

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: General Assembly, Indiana Judicial Center, Family and Social Services, Indiana Economic Development Corporation.

Local Agencies Affected:

Information Sources:

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